

FIRST REGULAR SESSION
[TRULY AGREED TO AND FINALLY PASSED]

SENATE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE FOR

HOUSE BILL NO. 428

97TH GENERAL ASSEMBLY

1351S.06T

2013

AN ACT

To repeal sections 301.193 and 301.260, RSMo, and to enact in lieu thereof three new sections relating to the registration and licensing of motor vehicles.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 301.193 and 301.260, RSMo, are repealed and three new sections
2 enacted in lieu thereof, to be known as sections 301.193, 301.260, and 301.642, to read as
3 follows:

301.193. 1. Any person who purchases or is the owner of real property on which
2 vehicles, as defined in section 301.010, vessels or watercraft, as defined in section 306.010, or
3 outboard motors, as that term is used in section 306.530, have been abandoned, without the
4 consent of said purchaser or owner of the real property, may apply to the department of revenue
5 for a certificate of title. Any insurer which purchases a vehicle through the claims adjustment
6 process for which the insurer is unable to obtain a negotiable title may make an application to
7 the department of revenue for a salvage certificate of title pursuant to this section. Prior to
8 making application for a certificate of title on a vehicle under this section, the insurer or owner
9 of the real estate shall have the vehicle inspected by law enforcement pursuant to subsection 9
10 of section 301.190, and shall have law enforcement perform a check in the national crime
11 information center and any appropriate statewide law enforcement computer to determine if the
12 vehicle has been reported stolen and the name and address of the person to whom the vehicle was
13 last titled and any lienholders of record. The insurer or owner or purchaser of the real estate
14 shall, thirty days prior to making application for title, notify any owners or lienholders of record

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

15 for the vehicle by certified mail that the owner intends to apply for a certificate of title from the
16 director for the abandoned vehicle. The application for title shall be accompanied by:

17 (1) A statement explaining the circumstances by which the property came into the
18 insurer, owner or purchaser's possession; a description of the property including the year, make,
19 model, vehicle identification number and any decal or license plate that may be affixed to the
20 vehicle; the current location of the property; and the retail value of the property;

21 (2) An inspection report of the property, if it is a vehicle, by a law enforcement agency
22 pursuant to subsection 9 of section 301.190; and

23 (3) A copy of the thirty-day notice and certified mail receipt mailed to any owner and any
24 person holding a valid security interest of record.

25 2. Upon receipt of the application and supporting documents, the director shall search
26 the records of the department of revenue, or initiate an inquiry with another state, if the evidence
27 presented indicated the property described in the application was registered or titled in another
28 state, to verify the name and address of any owners and any lienholders. If the latest owner or
29 lienholder was not notified the director shall inform the insurer, owner, or purchaser of the real
30 estate of the latest owner and lienholder information so that notice may be given as required by
31 subsection 1 of this section. Any owner or lienholder receiving notification may protest the
32 issuance of title by, within the thirty-day notice period and may file a petition to recover the
33 vehicle, naming the insurer or owner of the real estate and serving a copy of the petition on the
34 director of revenue. The director shall not be a party to such petition but shall, upon receipt of
35 the petition, suspend the processing of any further certificate of title until the rights of all parties
36 to the vehicle are determined by the court. Once all requirements are satisfied the director shall
37 issue one of the following:

38 (1) An original certificate of title if the vehicle examination certificate, as provided in
39 section 301.190, indicates that the vehicle was not previously in a salvaged condition or rebuilt;

40 (2) An original certificate of title designated as prior salvage if the vehicle examination
41 certificate as provided in section 301.190 indicates the vehicle was previously in a salvaged
42 condition or rebuilt;

43 (3) A salvage certificate of title designated with the words "salvage/abandoned property"
44 or junking certificate based on the condition of the property as stated in the inspection report.
45 An insurer purchasing a vehicle through the claims adjustment process under this section shall
46 only be eligible to obtain a salvage certificate of title or junking certificate.

47 3. Any insurer which purchases a vehicle that is currently titled in Missouri through the
48 claims adjustment process for which the insurer is unable to obtain a negotiable title may make
49 application to the department of revenue for a salvage certificate of title or junking certificate.
50 Such application may be made by the insurer or its designated salvage pool on a form provided

51 by the department and signed under penalty of perjury. The application shall include a
52 declaration that the insurer has made at least two written attempts to obtain the certificate of title,
53 transfer documents, or other acceptable evidence of title, and be accompanied by proof of claims
54 payment from the insurer, evidence that letters were [delivered] **sent** to the vehicle owner, a
55 statement explaining the circumstances by which the property came into the insurer's possession,
56 a description of the property including the year, make, model, vehicle identification number, and
57 current location of the property, and the fee prescribed in subsection 5 of section 301.190. The
58 insurer shall, thirty days prior to making application for title, notify any owners or lienholders
59 of record for the vehicle that the insurer intends to apply for a certificate of title from the director
60 for the vehicle. Upon receipt of the application and supporting documents, the director shall
61 search the records of the department of revenue to verify the name and address of any owners
62 and any lienholders. [After thirty days from receipt of the application,] **If the director identifies**
63 **any additional owner or lienholder who has not been notified by the insurer, the director**
64 **shall inform the insurer of such additional owner or lienholder and the insurer shall notify**
65 **the additional owner or lienholder of the insurer's intent to obtain title as prescribed in this**
66 **section.** If no valid lienholders have notified the department of the existence of a lien, the
67 department shall issue a salvage certificate of title or junking certificate for the vehicle in the
68 name of the insurer.

301.260. 1. The director of revenue shall issue certificates for all cars owned by the state
2 of Missouri and shall assign to each of such cars two plates bearing the words: "State of
3 Missouri, official car number" (with the number inserted thereon), which plates
4 shall be displayed on such cars when they are being used on the highways. No officer or
5 employee or other person shall use such a motor vehicle for other than official use.

6 2. Motor vehicles used as ambulances, patrol wagons and fire apparatus, owned by any
7 municipality of this state, shall be exempt from all of the provisions of sections 301.010 to
8 301.440 while being operated within the limits of such municipality, but the municipality may
9 regulate the speed and use of such motor vehicles owned by them; and all other motor vehicles
10 owned by municipalities, counties and other political subdivisions of the state shall be exempt
11 from the provisions of sections 301.010 to 301.440 requiring registration, proof of ownership and
12 display of number plates; provided, however, that there shall be a plate, or, on each side of such
13 motor vehicle, letters not less than three inches in height with a stroke of not less than
14 three-eighths of an inch wide, to display the name of such municipality, county or political
15 subdivision, the department thereof, and a distinguishing number. Provided, further, that when
16 any motor vehicle is owned and operated exclusively by any school district and used solely for
17 transportation of school children, the commissioner shall assign to each of such motor vehicles
18 two plates bearing the words "School Bus, State of Missouri, car no." (with the

19 number inserted thereon), which plates shall be displayed on such motor vehicles when they are
20 being used on the highways. No officer, or employee of the municipality, county or subdivision,
21 or any other person shall operate such a motor vehicle unless the same is marked as herein
22 provided, and no officer, employee or other person shall use such a motor vehicle for other than
23 official purposes.

24 3. For registration purposes only, a public school or college shall be considered the
25 temporary owner of a vehicle acquired from a [new] motor vehicle [franchised] dealer which is
26 to be used as a courtesy vehicle or a driver training vehicle. The school or college shall present
27 to the director of revenue a copy of a lease agreement with an option to purchase clause between
28 the authorized [new] motor vehicle [franchised] dealer and the school or college and a photocopy
29 of the front **and back** of the dealer's vehicle manufacturer's statement of origin **or certificate of**
30 **title**, and shall make application for and be granted a nonnegotiable certificate of ownership and
31 be issued the appropriate license plates. Registration plates are not necessary on a driver training
32 vehicle when the motor vehicle is plainly marked as a driver training vehicle while being used
33 for such purpose and such vehicle can also be used in conjunction with the activities of the
34 educational institution.

35 4. As used in this section, the term "political subdivision" is intended to include any
36 township, road district, sewer district, school district, municipality, town or village, sheltered
37 workshop, as defined in section 178.900, and any interstate compact agency which operates a
38 public mass transportation system.

**301.642. Any insurer which purchases a motor vehicle or trailer through the claims
2 adjustment process for which there is a valid lien or encumbrance perfected under sections
3 301.600 to 301.640 may, as an alternative to obtaining a lien release under section 301.640,
4 apply for a salvage certificate of title or junking certificate on such motor vehicle or trailer
5 by following the procedures in this section. The insurer may request a letter of guarantee
6 from the lienholder containing a description of the motor vehicle or trailer, including the
7 vehicle identification number, and indicating the amount payable by the insurer to the
8 lienholder in order to release the lien. Upon receipt from the lienholder of such letter of
9 guarantee, the insurer may, within ten days of such receipt, remit payment to the
10 lienholder in accordance with the letter of guarantee and, if such payment satisfies the lien
11 amount indicated in the letter of guarantee to release the lien, the lienholder shall provide
12 proof of satisfaction to the insurer. This procedure shall be followed for each lienholder
13 indicated on the certificate of ownership for the motor vehicle or trailer. Such letter of
14 guarantee and corresponding proof of payment need not be notarized and may be
15 immediately transmitted electronically. The insurer may then submit proof of such
16 payments, a copy of each letter of guarantee, and the title for such motor vehicle or trailer**

17 **to the department of revenue. The department shall accept such documents in lieu of a lien**
18 **release and process the insurer's application.**

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